

# Service Area Plan

## Department Of Housing And Community Development

### Financial Assistance for Housing Services (45805)

## Service Area Background Information

### Service Area Description

This service area provides funds to local governments that partner with DHCD to administer the Commonwealth's programs seeking to provide safe, accessible, and decent housing opportunities through local governments and nonprofit organizations who serve low income individuals and households with incomes falling below 80% of area median income (AMI), including the elderly and disabled. The primary goals of this service area are the same as found in Service Area Plans 45801 and 45804.

### Service Area Alignment to Mission

This service area directly aligns with DHCD's mission of working in partnership to make Virginia's communities safe and affordable places in which to live. In addition, an improved housing stock enhances the economic viability of a community.

### Service Area Statutory Authority

DHCD's primary authority is found within Title 36 of the Code of Virginia.

Chapter 8 provides for the establishment of the Department and sets out the general powers and specific duties of the agency's policy board and its director. This includes the authority to administer various federally-funded housing and community development grant programs, including those administered by the Division of Housing:

HOME Investment Partnerships (HOME): National Affordable Housing Act, Title II, 1990, as amended.

Housing for Persons with AIDS (HOPWA): AIDS Housing Opportunity Act, Public Law 101-624

Emergency Shelter Grants (ESG): McKinney-Vento Homeless Assistance Act of 1987, Title IV, as amended, 42 U.S.C. 11371-78

Temporary Assistance to Needy Families (TANF) [allocation from the Department of Social Services: Social Security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193; Balanced Budget Act of 1997, Public Law 105-33

Low Income Home Energy Assistance Program (LIHEAP) [allocation from the Department of Social Services]: Community Opportunities, Accountability, and Training and Educational Services Act of 1998, Title III, Sections 301-309

Lead Hazard: Housing and Community Development Act of 1992, Title X, Public Law 102-550; Consolidated Appropriations Resolution Act, 2004, Public Law 108-199.

Weatherization Assistance Program (WAP): Energy Conservation and Production Act, Title IV, Part A, Public Law 94-385, 42 U.S.C. 6851-6872; Department of Energy Organization Act of 1977, as amended, Public Law 95-91, 42 U.S.C. 7101; National Energy Conservation Policy Act of 1978, Title II, Part 2, Public Law 95-619, 92 Stat. 3206; Energy Security Act of 1980, Title V, Subtitle E, Public Law 96-294; Human Services Reauthorization Act of 1984, Public Law 98-558, 98 Stat. 2888; State Energy Efficiency Programs Improvement Act of 1990, Public Law 101-440.

### Service Area Customer Base

Customer(s)	Served	Potential
Local Governments	20	324

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#### **Anticipated Changes In Service Area Customer Base**

Virginia's grant for lead abatement activities ended on July 31, 2005. DHCD is awaiting approval of its proposal to continue lead abatement activities in Virginia.

#### **Service Area Partners**

##### **Local government agencies providing direct services to eligible individuals and families**

Entities provide matching funds and services

#### **Service Area Products and Services**

- Funding through grants and loans

##### **Factors Impacting Service Area Products and Services**

- Demolition of deteriorated and obsolete low-income rental units in large metropolitan areas continues to accelerate with expiration of tax credits programs implemented in the mid-80's resulting in shortage in affordable rental housing.
- Growing gap between incomes and housing costs for very-low income persons as housing costs continue to escalate throughout the Commonwealth.

##### **Anticipated Changes To Service Area Products and Services**

- The demand for services is anticipated to increase due to the aging population. It is unlikely that the current funding levels will be adequate to meet the increased demand.
- As the cost of materials rises, some program activities may become limited due to caps on the amount of funds, particularly federal funds, that may be used in a housing unit.
- The recent decrease in federal support for Community Action Programs, one of DHCD's partners, is expected to have an effect on the number of staff available to provide direct services. This may result in fewer housing units receiving assistance.
- If additional competitive federal funding is not obtained, the Virginia Lead Safe Home Program will end on July 31, 2005.
- The number of opportunities for voluntary contributions of State tax refunds has increased from 23 for tax year 2000 to 34 for tax year 2005; one of these, Public School Foundations, lists 63 public school foundations that are eligible for contributions. It is anticipated that donations through the Virginia Housing Program will decrease.
- As housing units age, they need repairs, often due to deferred maintenance as the occupants are unable to afford the necessary repairs and upkeep. It is anticipated that demand for services will increase as these homes reach critical condition. It is unlikely that the current funding levels will be adequate to meet the increased demand.

#### **Service Area Human Resources Summary**

##### **Service Area Human Resources Overview**

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#### Service Area Full-Time Equivalent (FTE) Position Summary

Effective Date: 1/31/2006

Total Authorized Position level ..... 0

Vacant Positions ..... 0

Non-Classified (Filled)..... 0

Full-Time Classified (Filled) ..... 0

Part-Time Classified (Filled) ..... 0

Faculty (Filled) ..... 0

Wage ..... 0

Contract Employees ..... 0

Total Human Resource Level ..... 0

#### Factors Impacting Service Area Human Resources

#### Anticipated Changes in Service Area Human Resources

#### Service Area Financial Summary

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$0	\$5,000,000	\$0	\$5,000,000
Changes To Base	\$0	(\$2,000,000)	\$0	(\$2,000,000)
<b>SERVICE AREA TOTAL</b>	<b>\$0</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>\$3,000,000</b>

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## Service Area Objectives, Measures, and Strategies

### Objective 45805.01

***Improve the quality of housing units occupied by low-income households, including the elderly and disabled.***

#### This Objective Supports the Following Agency Goals:

- Increase the ability of communities to implement innovative and creative responses to community defined needs.

#### This Objective Has The Following Measure(s):

- **Measure 45805.01.01**

***Number of households provided with new or improved affordable housing.***

**Measure Type:** Output

**Measure Frequency:** Annually

**Measure Baseline:** Rehab assistance will be provided to 50 housing units in FY05

**Measure Target:** The goal is to rehab 50 units each year through indoor plumbing, weatherization and other housing preservation units.

**Measure Source and Calculation:**

This measure is calculated on the number of housing units occupied by low-income individuals and families that are repaired, rehabilitated or receive energy efficiency improvements. Information will be gathered from periodic reports made to DHCD from local governments that provide direct services. The number of households served will be calculated at the end of each fiscal year.

#### Objective 45805.01 Has the Following Strategies:

- Allocate funding to local governments
- Execute agreements with targeted outcomes
- Provide technical assistance and support to rehabilitation efforts
- Review and process all payment requests within 5 days of receipt

### Objective 45805.02

***Insure homeless and those at risk of homelessness are able to maintain or access appropriate affordable housing.***

#### This Objective Has The Following Measure(s):

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- **Measure 45805.02.01**

***Number of homeless households securing permanent housing***

**Measure Type:** Outcome      **Measure Frequency:** Annually

**Measure Baseline:** 5487 households exited to permanent housing from shelters in 2004-2005 through programs administered by non-profits and local governments

**Measure Target:** 900 households will exits to permanent housing from shelters administered by local governments in 2007 & 2008

**Measure Source and Calculation:**

Service providers submit quarterly and annual reports that indicate the status of households that leave their programs.

**Objective 45805.02 Has the Following Strategies:**

- Review outcomes and evaluate program design based on results
- Evaluate effectiveness of program design and award to insure financial resources are available to performing programs
- Provide technical assistance and share best practices related to rapid exit and homeless diversion programs with local government administrators
- Work with other agencies to coordinate the availability of benefit programs at local level that impact income and self-sufficiency